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TO RUEHC/SECSTATE WASHDC 9450  
INFO RUEHBJ/AMEMBASSY BEIJING 8429  
RUEHHK/AMCONSUL HONG KONG 9657

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SUBJECT: MEDIA REACTION: U.S.-CHINA-TAIWAN RELATIONS

¶1. Summary: Taiwan's major Chinese-language dailies focused their June 9 news coverage on the plummeting Taiwan stock index; on the controversy over the construction of the Suhua Freeway; and on the screening process of the Examination Yuan candidates nominated by President Ma Ying-jeou. Both the pro-independence "Liberty Times" and the pro-unification "United Daily News" reported on their inside pages on a speech by U.S. Undersecretary of Commerce for International Trade Christopher A. Padilla at the American Enterprise Institute Monday, in which he declined to reply whether the United States will negotiate a Free Trade Agreement with Taiwan but emphasized that Washington will deal with trade issues vis--vis Taiwan through the mechanism of APEC.

¶2. In terms of editorials and commentaries, a "Liberty Times" editorial discussed China's approach of using its relations with the United States to 'pull Washington to its side to restrain Taiwan.' The article also criticized the Ma Ying-jeou Administration's cross-Straits policy, saying Beijing has seen through Ma's guiles in defending Taiwan. A "United Daily News" op-ed piece urged the Ma Administration to send high-ranking national security officials to the United States and express clearly Taiwan's interest in buying weapons from the United States. An op-ed piece in the pro-independence, English-language "Taipei Times," written by a Western commentator, suggested that Ma follow a more prudent approach in terms of his cross-Straits policy. End summary.

A) "China Has Seen through Ma Ying-jeou's 'Determination to Defend [Taiwan]'"

The pro-independence "Liberty Times" [circulation: 720,000] editorialized (7/9):

"... As a result, the way China imposes pressure on Taiwan has constantly been done via its relations with the United States. In other words, for China, the most effect way to put pressure on Taiwan is not to intimidate Taiwan directly but to 'draw Washington to its side to restrain Taiwan.' The most evident case was Taiwan's UN referenda held in tandem with this year's presidential election. China had tried every way it could to obstruct the referenda from passing but, in the meantime, it was afraid that open and flagrant intimidation would arouse strong aversion among the Taiwan people and thereby create a bad influence on the campaign of the presidential candidate that it preferred. As a result, China used its relations with the United States and asked the latter to impose pressure on Taiwan. Under the approach of 'pulling Washington to its side to restrain Taiwan,' China did not have to accomplish its evil purpose toward Taiwan directly and could let the Taiwan people vent their anger on the United States. It was a dual gain for Beijing.

"Such a change in China's diplomatic strategy has done as much harm to Taiwan as military intimidation would do. But the trick of hiding evil behind one's smile has slackened the sense of crisis of many [Taiwan] people. What is even more regrettable is that the Ma Administration, which has been enthusiastic about the one-China consensus, has not only turned a blind eye [to Beijing's guiles],

but in order to beg China to open direct charter flights and allow its people to tour Taiwan, it has also requested that Washington shelve its arms sales [to Taiwan] so as not to sabotage the atmosphere for the talks between Taiwan's Straits Exchange Foundation and China's Association for Relations across the Taiwan Strait. Judging from such a development, it appears that the so-called 'no use of force' advocated by President Ma, who calls for ultimate unification [with China], is not to demand that China renounce its use of force against Taiwan but to disarm the island itself and adopt an inactive attitude toward weaponry procurement. ..."

B) "Truth about Shelving [U.S.] Arms Procurements Remains Mysterious; Long Delay Usually Means Many Problems"

Professor Edward Chen of Tamkang University's Graduate Institute of American Studies opined in the pro-unification "United Daily News" [circulation: 400,000] (7/9):

"U.S. officials said lately that the shelving of [U.S.] arms sales to Taiwan was a request made by the Taiwan side, but Taiwan's national security officials have recently told the U.S. State Department via a formal channel that it 'has no intention to suspend the arms deal.' All of a sudden, it has become an unsolved puzzle as to whether it is Washington that wanted to shelve the arms sales to Taiwan or it was Taiwan that has proactively requested a delay in the arms procurements. ... Is such a development a result of miscommunication between the high-ranking national security officials of Taiwan and the United States, or is it because AIT or State Department officials have been misinformed and thus misled? Or is it because Washington regards Taipei's concerns over the impact of arms procurements on cross-Strait talks as a kind of 'hint' by Taipei to shelve the arms deal?

"Regardless, there is really no reason for Taipei to shelve the arms procurements. First, Ma Ying-jeou's statement in his inaugural speech that he will raise Taiwan's defense budget to three percent of the island's GDP was a clear response to the United States' expectations that Taiwan should strengthen its national defense. ...

Fifth, the chances are slim that Taipei is not aware that if it postpones its arms procurements proposal until after the Olympic Games, the U.S. presidential election will be entering the last stage of the campaign. Approximately one-third of the Senators and all House representatives will devote themselves to campaigning for re-election. It is thus likely that the U.S. arms sales to Taiwan will be postponed until January 2009. When that time arrives, President George W. Bush, who has always hoped to sell many weapons to Taiwan, might become discouraged and leave the decision of the arms sales to the new president. Sixth, if John McCain is elected the next U.S. president, he will perhaps follow Bush's previous decision, but should Barack Obama be elected, it is likely that the U.S. arms sales policy toward Taiwan will be changed greatly. ...

"Thus, to prevent the many problems that may be caused by such a delay, the Taiwan government, in addition to stating more clearly [to Washington] that Taiwan's arms procurement policy remains unchanged, should also send high-ranking national security officials to the United States to secure the deal."

C) "Ma Must Build Position of Strength"

Gerrit van der Wees, editor of "Taiwan Communique," a Washington-based publication, opined in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (7/9):

"... First, the Ma administration did not attempt to achieve any consensus in Taiwan before recklessly rushing ahead into its adventure with China. ... Second, the Ma administration has hitched itself inextricably to the goodwill of the Beijing regime. He has mentioned the reduction of the missile threat and more "international space" for Taiwan as desirable, but he has little leverage. If Beijing doesn't deliver or only makes token moves, Ma has little room to maneuver and is dead in the water. Third, Ma has zigzagged on the issue of arms sales from the US. There were earlier reports that right after the inauguration the Ma administration had urged the US to slow down the timing of the notifications of arms sales. Subsequent reports indicated that the Ma administration had

not initiated a freeze in the sales. Be that as it may, the fact remains that from 2002 to last year, the KMT opposition did everything possible to sabotage the US-offered arms package by blocking even a discussion in the Legislative Yuan, thereby undermining Taiwan's security.

"Fourth, by allowing Taiwan to drift into China's orbit and sphere of influence, the US risks losing an important friend and ally in the region. Taiwan's strategic location astride the major sea lanes from Japan and Korea to Southeast Asia makes it an important asset in support of free shipping and free trade. The US needs to set clear markers and red lines that - if crossed - would represent a threat to US interests. Fifth, by linking Taiwan's economy so much closer to China's, Ma has placed Taiwan at risk of being pulled down in the event of a severe downturn in the Chinese economy. ...

"So, if Ma is wise, he would follow a more prudent approach, based on first developing an internal consensus in Taiwan on how to move ahead, consultations with the US and Japan on security and strategic boundary conditions, and diversifying Taiwan's economic and political links with the international community. Only if he works along these lines will he be able to negotiate from a position of strength. The present approach will only lead to Taiwan being pushed into a corner from which it will be very difficult to extract itself. The Taiwanese people who have worked so hard for democracy deserve better."

YOUNG